

August 10, 2012

Tracey McCaie
A/Manager, Land Administration
Aboriginal Affairs and Northern Development Canada
PO Box 100
Iqaluit, NU
X0A 0H0

Re: Notice of Completion of Land Use – The Aviat Project
Land Use Permit N2007C0003 and Nunavut Water Board License 2BE-SNN0813

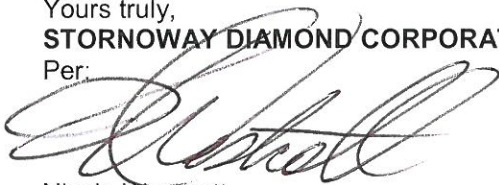
Dear Ms. McCaie,

As per the terms and conditions of the above referenced regulatory authorizations please accept this letter as the official notice that the land use operation including the demobilization of the Aviat camp and the completion of the abandonment and reclamation activities on the land use area as outlined in the Notice of Land Use dated June 28, 2012 has been completed.

I am currently preparing a detailed Final Land Use Plan for the Aviat Project which will be submitted to your office and cc'd to the Nunavut Water Board within the next few weeks which will be accompanied by a request to officially close Land Use Permit N2007C0003.

If you have any questions regarding this correspondence please do not hesitate to contact the undersigned at your convenience. I can be reached via my direct phone line at 604-983-7764, by fax at 604-987-7107 or via email at nwestcott@stornowaydiamonds.com.

Yours truly,
STORNOWAY DIAMOND CORPORATION
Per:



Nicole Westcott
Manager of Regulatory and Community Affairs – Exploration

Cc: Joseph Monteith, A/Resource Management Officer, AANDC
Andrew Keim, Water Resources Officer, AANDC Nunavut Regional Office
Tracey McCaie, A/Manager, Land Administration, AANDC
Phyllis Beaulieu, Manager of Licensing, Nunavut Water Board